

MANUFACTURING EXTENSION PARTNERSHIP

Success Stories from the Field

Slocomb Industries, Inc.

Delaware Manufacturing Extension Partnership

Slocomb Industries Slims Down With Lean And Sees Big Results

Client Profile:

Slocomb Industries, established in 1955, was one of the first manufacturers in the U.S. to make vinyl windows and doors. With 120 employees and almost 70,000 square feet of manufacturing and warehouse space in Newark, Delaware, the company produces over 25 different custom window and door systems in a variety of colors and options for the residential and commercial building markets.

Situation:

Two years ago, Slocomb faced major challenges. Limited production capacity constrained sales, and with hundreds of vinyl window manufacturers vying for business along the east coast, the company was losing market share. To remain competitive, the company had to produce quality products and deliver them on time, but three-week lead times and inconsistent delivery performance were damaging sales. As a result, it struggled with low earnings and profitability. Slocomb had had prior experience with lean manufacturing tools and techniques, and knowledge of the national network of manufacturing extension centers. Company management sought help from the Delaware Manufacturing Extension Partnership (DEMEP), a NIST MEP network affiliate.

Solution:

DEMEP worked with Slocomb to develop and implement a three-phase plan to apply lean principles over a three-year period. By that time, management expects the company to be fully prepared to sustain a continuous improvement program with minimal outside help.

The first phase, initiated in October 2000 and completed in July 2001, focused on lean basics. DEMEP trained all Slocomb employees in lean philosophy and the application of tools and techniques via its Lean Manufacturing Workshop. Then DEMEP began lean implementations in the front office area, reviewing and redesigning the flow of information from sales and order entry through production scheduling and finished product delivery. The production area received a similar lean treatment. DEMEP conducted kaizen events to improve workflow in each of Slocomb's five production lines using cellular design, arranging visual cues, and applying 5S techniques. By creating a clean, visually oriented workplace, communication between Slocomb's employees improved, a change that proved especially beneficial to non-English speaking employees.

The second phase of Slocomb's lean plan ran from November 2001 through June

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2002. In this phase, DEMEP designed and developed a "pull" system to minimize raw material inventories and prevent stock outs. The system helps manage key suppliers and improve raw material flow. Slocomb employees received training in quality management systems and tools to establish process controls. These controls help sustain the gains achieved throughout the implementation effort and establish a program for continuous improvement with employee involvement. They also received training in total productive maintenance and established a program to increase overall equipment effectiveness (i.e., equipment uptime) and to increase capacity on hydraulic punch presses.

The third phase of the Slocomb's lean plan began in August 2002 and will be completed in February 2003. This phase will include basic lean training for all new employees, additional training in quality management systems and tools, 5S and visual workplace techniques, business processes, and a new information management system developed to support increased sales and production.

Results:

Increased sales by 18 percent in the first year of the program.

Forecasting a 25 percent increase in sales this year, with another 25-30 percent increase next year.

Increased capacity by 2.4 times.

Increased inventory turns from 7 to 9.

Reduced raw materials inventory by 15 percent.

Reduced finished goods inventory by 53 percent.

Reduced work-in-process inventory by 61 percent.

Reduced lead times from more than three weeks to one week.

Reduced number of customer returns by improving product quality.

Testimonial:

"The Delaware Manufacturing Extension Partnership's lean program helped streamline operations. This is making a substantial positive financial impact on the company. Not only are our sales improving, but our gross profit is improving as well. We are elated with our results, particularly in our very competitive marketplace."

Chris Slocomb, President